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FM AMEMBASSY ULAANBAATAR  
TO RUEHC/SECSTATE WASHDC 2377  
INFO RUEHBJ/AMEMBASSY BEIJING 6289  
RUEHUL/AMEMBASSY SEOUL 3498  
RUEHKO/AMEMBASSY TOKYO 3170  
RUEHMO/AMEMBASSY MOSCOW 2377  
RUEHOT/AMEMBASSY OTTAWA 0688  
RUEHML/AMEMBASSY MANILA 1858  
RUEHBK/AMEMBASSY BANGKOK 1904  
RUCPDO/DEPT OF COMMERCE WASHINGTON DC  
RUEHLMC/MILLENNIUM CHALLENGE CORP WASHINGTON DC  
RUEKJCS/SECDEF WASHINGTON DC  
RHEHAAA/NSC WASHINGTON DC  
RUEHGV/USMISSION GENEVA 0450  
RUCNDT/USMISSION USUN NEW YORK 0677

UNCLAS SECTION 01 OF 04 ULAANBAATAR 000355

SENSITIVE

SIPDIS

STATE FOR EAP/CM, DRL, INR/EAP AND INR/B

E.O. 12958: N/A

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SUBJECT: Candidate Profile: On the Campaign Trail--The Mongol Way

Ref: A) Ulaanbaatar 0345, B) Ulaanbaatar 0198

SENSITIVE BUT UNCLASSIFIED - NOT FOR INTERNET DISTRIBUTION

11. (SBU) SUMMARY AND COMMENT: Advisor to the Minister of Industry and Trade, S.Otgonbat (strictly protect) shared his experience as a campaign manager for J. Enkhbayar, an upstart Mongolian People's Revolutionary Party (MPRP) businessman in his 30's and a candidate in Mongolia's remote southwestern Gobi Altai province. Broken by 14,000 foot peaks and searing deserts, the province's poor infrastructure and rough terrain presented the campaign with major logistical challenges. The candidate funded his own campaign but made extensive use of the provincial MPRP apparatus to circumvent legal spending limits and to reach the widely dispersed voters, according to Otgonbat. The successful campaign combined both traditional appeals to Mongolian cultural heritage with a savage, unprecedented attack by the candidate against his party's provincial leadership for incompetence and corruption. The candidate also departed from tradition by directly appealing to the disabled and the lower class market, bazaar vendors to vote for him. Otgonbat claimed his candidates won 68% of the vote, the highest rate in all of Mongolia, due to his willingness to reach out to disaffected voters. Contemplated in retrospect, post sees little evidence of election fraud in this Gobi Altai campaign. Yes, the candidate, according to Otgonbat, did circumvent spending limits through the eye-brow raising-but legal-fiction of donating to the local party, which then covered his costs. However the campaign shows that election victory in Mongolia can be achieved in the time-honored way of most democracies: Those with money, party machines, and a campaign focused on local values and needs will usually win. END SUMMARY AND COMMENT.

LUNCH WITH THE CAMPAIGN MANAGER

12. (SBU) On July 16, post's Commercial Officer (and Acting Econ/Coml Chief) lunched with S. Otgonbat (strictly protect), who discussed his role as campaign manager for Mongolian Revolutionary Party (MPRP) candidate J. Enkhbayar's successful campaign for one of two seats available in the Gobi-Altai election (ref A reported election results). Advisor to Minister of Industry and Trade Narankhuu Otgonbat (or "Oggie") is no stranger to elections. He ran his own successful campaign for UB city council in 2004 and has served as deputy manager for now President Enkhbayar, when he successfully ran for Parliament in 2004

## GOVI ALTAI: DISTANT, LARGE, AND SPARSELY POPULATED

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¶3. (SBU) Perhaps Mongolia's most remote province, Gobi-Altai's 64,000 people are easily outnumbered by its 1.5 million head of livestock. The province's 34,313 eligible voters are widely dispersed among 20 soums (counties) covering some 100,000 square miles of soaring 14,000 foot peaks and searing desert basins. Although sitting on excellent coking and thermal coal deposits, gold, copper, and other metals, as well as producing some of the world's finest cashmere, the province remains desperately poor. Impossibly pot-holed, paved roads are largely limited to the provincial capital of Altai where continuous electrical power remains an intermittent dream at best.

## CANDIDATE BUILT LOCAL CONNECTIONS FOR THREE YEARS

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¶4. (SBU) In his mid-thirties, J. Enkhbayar is a native son of Gobi-Altai, whose family moved to Ulaanbaatar some years ago, where he met Oggie. Apparently, their families vacationed together and the two became fast friends and later business and political associates. Based on these ties, and Oggie's practical experience with elections, Enkhbayar asked him to run his campaign.

¶5. (SBU) Although he did not explain Enkhbayar's motives for running, Oggie offered that Enkhbayar had begun his campaign some three years ago. In 2005, Enkhbayar began to visit the province three to four times a year. During these visits he promoted wrestling and horse racing events, having become a horse owner in

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the province and sponsoring several local champion wrestlers. In addition, he created an NGO that rebuilt local hospitals and that provided scholarships to local students for college educations in UB (121 students is the figure Oggie cited). Oggie stated that the candidate has no other business interests in the province to date.

## NEW BLOOD CHALLENGES OLD; GETS PARTY NOD

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¶6. (SBU) When the MPRP was deciding this May among possible candidates to run for Gobi-Altai's two seats in parliament, Enkhbayar offered himself as a young and successful option to the current slate of Gobi-Altai candidates, noting that he had laid much of the ground work for his campaign over the last three years. However, the MPRP decided to run 4-term incumbent MP Ochirkhuu instead. Enkhbayar, supported by Oggie and several other up-and-coming party stalwarts, argued that Ochirkhuu and many other MPRP warhorses needed to retire to make room for new blood; and if these ancient politicians and the party refused to make way, Enkhbayar, among others, would run as an independent, which might well draw off votes from the MPRP candidate, giving the win to the Democratic Party. Faced with this scorched-earth candidacy, the MPRP relented, booted Ochirkhuu, and nominated Enkhbayar. (Comment: During the DCM's April visit to the region (ref B), both MPRP and opposition Democratic Party local leaders stressed the need for "new blood" to build for the future, lest their party be marginalized or left behind should the competition field new, locally appealing candidates. Exasperated, the party leaders were resigned to the seeming reality that such decisions would not be made locally nor reflect the province's needs but by their party's leadership in Ulaanbaatar. So Enkhbayar's successful fait accompli provides another approach for candidates to work around their party's entrenched bureaucracy and centralization. End Comment.)

## GOBI ALTAI: A VAST, TOUGH PLACE TO CAMPAIGN

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¶7. (SBU) Enkhbayar and Oggie found the prospect of campaigning in this vast mountain and desert province daunting. The provincial capital has only one local television station, the signal of which cannot reach outside the capital. Most voters, herders, are out in the distant pastures for the summer and cannot be reached electronically; and so, the campaign had to travel to them. In

practice this meant going out to each the provinces counties and visiting the voters in their baghs (districts), the smallest administrative unit. The campaign then had slightly more than two weeks to meet with voters scattered in some 168 districts. Oggie explained that it took full 18-hour days to cover alpine tracks best left to hikers and horses, but the campaign need to traverse these horrid roads to meet with herders in scattered in the mountains.

MPRP PARTY MACHINE WORTH EVERY PENNY!

18. (SBU) Enkhbayar paid for the campaign out his own pocket. Oggie stated that Enkhbayar coughed up some Tugruk 125,000,000 (about US\$108,000) to cover campaign expenses, which included ads for the local TV station, auto expenses, campaign literature, salaries for the 15 campaign staff, and expenses incurred to cover the costs of 50 laborers hired by the local party apparatus for the 45 day campaign. Most of Enkhbayar's funds were channeled into local MPRP party organizations, who then doled them out to county and district party apparatuses to cover Enkhbayar's campaign costs. (Comment: Post believes that this MPRP candidate and others from both the Democratic and MPRP parties funded their respective campaigns by using local party apparatus as a funding shell to avoid statutory campaign spending limits of US\$17,300 (Tugruk 20 million) imposed on the candidates by the election law. End comment.)

19. (SBU) Oggie noted that the other MPRP candidate, Dashdorj, also employed a similar approach to funding his campaign. In fact, together they provided at least 60% of all monies spent by the MPRP local on the campaign. However, Oggie did not disparage the party for its lack of money, noting that what the party lacked in cash it more than made up with manpower for the cause: an experienced cadre of 600 party stalwarts populating every district and county. Oggie

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thought this party structure was and remains the MPRP's not-so-secret and largely but mistakenly discounted election weapon.

10. (SBU) CommOff asked Oggie if he took a leave of absence to campaign, and he explained that he was actually on assignment from the Ministry in the province. He could be in the province if he were doing work for the Ministry of Industry and Trade, and apparently he was leading some delegations to conduct trade research in the province on the minister's behalf. Nor did he have to resign his position to support a campaign as a member of the civil service would, because he was a political appointee of his minister not a civil servant. All bases covered, then.

THE CAMPAIGN TRIAL: TRADITION COMBINED WITH INNOVATION

11. (SBU) The specific campaign waged combined tradition and innovation. Oggie said that the most important campaign element was Enkhbayar's presentation of himself as a patron of local sports, particularly wrestling and horse racing. He stated categorically that no candidate could hope to win a countryside seat without owning and racing horses locally or without supporting wrestling. Having businesses and contributing in other ways to the welfare of the locality are certainly valued, but if a candidate really wanted to come across as son of the land, he had own and race horses or help with the wrestling. He was then vested in the locality in way that resonated with traditional herder values. Oggie was not able to explain the mindset of the voter in this regard, but three years of buying, breeding, and racing horses; three years of underwriting sports events, had given Enkhbayar impeccable, unassailable countryside bona fides.

CAREFULLY COUCHED CRITICISM TAPS  
INTO POPULAR FRUSTRATIONS

12. (SBU) More pragmatically, Oggie claimed that Enkhbayar ran a campaign highly critical of the existing provincial government and one which reached out to non-traditional constituencies. Because the campaign law bars candidates from direct criticism of their

opponents or from promoting specific programs of their own design not mentioned in the party platform, Enkhbayar focused on general needs for development in the province, blaming the local administration, an MPRP administration of at least a decade's vintage--his own party, in short--for failing to develop one of Mongolia's most well-endowed provinces. For at least the last 15 years the central government had poured in at least US\$100,000,000 for Gobi-Altai roads, dams, buildings, government salaries and administrative overhead, etc; and the province had very little to show for this money. (Comment: Post cannot verify the validity or accuracy of these campaign attacks. One might wonder how annual spending of just US\$7 million per for 15 years for province with so many human needs could have had much of an impact on the quality of life and infrastructure of the province. Perhaps Enkhbayar's criticism is overheated and unfair, but perhaps such caviling is beside the point. The point is that the candidate apparently got traction among voters, who seemed to agree with the point that the provincial administration had failed as stewards of the public's trust. End comment.)

¶13. (SBU) Enkhbayar accused the existing central provincial administration of incompetence at best and corruption at worst. Better oversight from the center to insure that monies allocated for development of mining and infrastructure projects was called for, and movement on major mining projects, for example, Rio Tinto's 2 billion ton coking coal project, had to be acted upon; and when acted upon jobs and better conditions would come to a province that could, should, and must be prosperous.

#### CHALLENGING AND BREAKING TRADITIONS

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¶14. (SBU) Commoff asked if the local MPRP administration was put off by this blame game. Of course, they were, but what could they do about it. Having lost old, reliable Ochirkhuu, the local bosses now

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faced an insurgent Enkhbayar who owed them nothing. Although the local leadership gnashed its teeth at the criticism, apparently the lower echelons and county/district rank and file were not averse to seeing the fat cats criticized for failing to help them. (Comment: This campaign approach is somewhat unprecedented in a country where criticizing one's elders and leaders is considered the height of bad form, if not a form of betrayal. But it seems to have worked for Enkhbayar, who took 68% of the Gobi Altai vote where some 82% of all eligible voters cast their ballots, the highest percentage for any candidate in any district.)

#### REACHING OUT TO THE DISENFRANCHISED - THE DISABLED...

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¶15. (SBU) Enkhbayar also reached out to disenfranchised groups, whom most parties have traditionally ignored, specifically mentioning the disabled and the black market traders of Gobi-Altai. Oggie noted that some 8,000 disabled people live in the province. How many voted was not clear, but their families did vote and some help was not amiss. Although Enkhbayar had not done much with them in the three years preceding the election, Enkhbayar was quick to find jobs during the election for 50 disabled voters, who received a month's minimum wages of US\$93.00 to help the central party with the campaign. Enkhbayar covered these costs for the party. Oggie ensured that this support was publicized and believes that it earned the candidate, who promised other support to the group, votes on election day. As far as Oggie knew, his candidate was among the few, perhaps the only MPRP candidate, to pay disabled voters for their services, putting some meat behind his promise to help this group.

#### ... AND UNRULY TRADERS

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¶16. (SBU) Oggie was particularly proud of his getting Enkhbayar to campaign among traders. These business people populate the local bazaar and their activities employ the balance of the people in the provincial capital. The market holds several hundred vendors and their families who sell products from batteries fine silks to raw

cashmere. Oggie reports that conventional wisdom holds this group to be raucous, rude, and unkempt, absolutely disrespectful of authority, and dismissive of regulation and law. Any politician who enters the bazaar is as likely to be called a "corrupt bastard" and be pelted with well-aimed dumplings, than to be engaged in debate on issues of concern. Because conventional wisdom considers these voters to be beyond control and politically disinterested, political parties have decided that it's just not worth going to the unpleasant and apparently fruitless effort to curry such unsavory voters. However, Oggie noted that these "louts" do have the right to vote and represent a sizable but untapped block of votes. (Comment: LES and FSN observers confirm this reticence to court this vote is countrywide; they seldom see politicians or senior officials enter provincial or Ulaanbaatar bazaars to talk with the vendors during campaigns or at any other time for that matter. As explained to Commoff, to be seen in such low places, let alone ask the denizens what they want in a candidate and a government is just too beneath the political grandees. End comment.)

¶17. (SBU) Oggie let it be known that Enkhbayar would come to the bazaar to chat with the vendors throughout the day about their concerns. Oggie promoted this walkabout to prove his candidate's true desire to help the small business people of his province. Apparently, these small business people, the rude ones, had not really been consulted before and were pleased that a politician had at last entered their domain to ask them what they wanted. Did they vote for Enkhbayar in response? Oggie, again noting the 68% vote for his candidate, argued that they did, and believes the MPRP must put aside its misinformed elitism and court these votes throughout the country.

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